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PROGRAMME PLANNING

Country and intercountry programmes and projects

EXTENSION OF THE FOURTH COUNTRY PROGRAMME FOR THE ISLAMIC REPUBLIC OF IRAN

Note by the Administrator

I. JUSTIFICATION

1. The fourth country programme for the Islamic Republic of Iran (DP/CP/IRA/4) was approved by the Governing Council at its thirty-sixth session (1989) for a period of three years (1989-1991). In order for the fifth country programme to coincide with the commencement in 1994 of the second five-year national development plan, the Government has requested that (a) the fourth country programme be extended by two years, through 1993 and (b) the fifth country programme be submitted to the Governing Council at its forty-first session (1994).

II. OBJECTIVES

2. For the two years of the extension, the main objectives of the fourth country programme, as defined at the time of the approval of the programme, remain valid. They are as follows: (a) to promote economic growth and reconstruction; (b) to support advancements in education, science and technology; and (c) to promote reform of the public administrative and management system. These objectives are closely related to the Government priorities as expressed in the first national development plan, currently under implementation.

3. Among the three objectives, the overriding emphasis of the fourth country programme was on serving the attainment of the economic growth and

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reconstruction objective of the Government, with the education, science and technology, and reform of public administration objectives receiving lesser attention. While economic growth and reconstruction still remain the major objective, an increased emphasis during the extension period will be placed on educational, scientific and technological advancement, which is expected to be the top priority objective under the fifth country programme.

4. The introduction of reforms of the public administrative and management system will remain one of the objectives during the extension period, in line with the guidelines of the first national development plan and policies, which called for the State to take more of a support role and disengage itself from directly productive undertakings.

5. In line with the emphasis placed by the Governing Council on developing national capabilities by encouraging national execution, and taking full advantage of the increasing sophistication of the national implementing agencies, a greater weight is placed on national execution in preparation for a major role for this execution modality in the fifth country programme.

6. The first three years of the fourth country programme were characterized by a large number of small projects, responding to requirements for specialized technical cooperation by various Government entities. A total of 36 of the 50 projects included in the fourth country programme will continue in operation into the extension period. With the scheduled completion of over 20 projects in 1992, the latter part of the extension period will be characterized by a much smaller number of projects, with over half of the commitments relating to new projects. It is during this period that an effective bridge will be built between the original fourth country programme, with its stated aim of reaching as many counterpart institutions as possible, and the adoption of a programme approach in the fifth country programme, leading to a concentration of United Nations Development Programme (UNDP) efforts in a few thematic areas.

7. The increasing commitment of cost-sharing funds by the Government, both in hard and local currencies, is expected to exceed substantially the $1.2 million received during the first three years of the fourth country programme. This is a sign of the Government's confidence in the United Nations system and its ability to deliver cost-effective technical cooperation.

8. The future course of action for cooperation between UNDP and the Government will be drawn up in the light of the Government's emerging policies under the second national development plan. Full cognizance will be taken of the programme approach, including the need for harmonization with other sources of possible multilateral and bilateral economic cooperation. Furthermore, a complementarity between national, regional and interregional programmes supported by UNDP, as well as the use and development of national expertise will be pursued in full.

III. PROGRAMME DESCRIPTION

9. Described below are the activities which will be continued in the coming years and, in particular, those which will be initiated, in each of the three areas covered by the country programme.

A. Economic growth and reconstruction

10. Soil and water resources management. There are currently five ongoing projects dealing with optimal soil and water use, with a total allocation of $1.2 million. The programmes of the Government Bureau of Comprehensive Planning and Watershed Management are being assisted through land-use planning and watershed management projects. Government actions in the area of forestry are being supported through the implementation of two ongoing projects: one dealing with the forest ecology of the Caspian Sea region and the other assisting the Forestry Seed Institute.

11. Food production. There are 10 ongoing and proposed projects concerned with increased agricultural output and food production, with a total tentative allocation of $2.3 million. Fisheries production in the Persian Gulf and the Sea of Oman is expected to be increased through the continuing fisheries development and prawn culture projects. Expanded livestock production will continue to be promoted through projects in buffalo husbandry, range improvement and heifer development. A new project for the development of date production will be added to the ongoing projects supporting activities with market potential in such industries as walnut, aromatic plants and silkworm production. A proposed project to study large-scale investments foreseen in sugar cane production is in the process of finalization, with national execution in mind.

12. Natural resources development. With the majority of projects in this sector completed by the end of 1991, only four ongoing projects are continued into 1992, to be supplemented by a new project in mineral processing. The total tentative allocation for the sector amounts to $1.1 million. Among the ongoing projects, an enhanced oil recovery project continues to assist in increasing the productive capacity of oil wells while two other projects provide support to the Government's dam construction programmes. A pipeline project is under preparation to help establish a research centre for minerals processing in line with the emerging emphasis on increasing the capacity of university-level institutes.

13. Transport and communications planning. UNDP cooperation in this sector is organized into four ongoing and one pipeline project, with a total budget of $1.8 million. The ongoing projects in this sector deal with radio frequency management, agro/marine meteorology, rural telecommunications and postal services. The most important in the sector is a new project for a mass transit system in the Isfahan metropolitan area with a total budget in excess of $1 million, of which $700,000 is provided as government cost-sharing. This nationally executed project will help to carry out a pre-feasibility study for the construction of a mass transit system for the industrial heartland of the Isfahan metropolitan area. The project has as its counterpart a private joint

stock company with a share-holding structure covering municipal authorities and major companies active in the area.

14. Industry and reconstruction materials. Five projects in the industry sector will continue into the extension period. These include assistance for the development of raw materials for the pharmaceutical industry, and support to the Standards Institute and Metrology Centre. The remaining two projects under implementation in this sector are concerned with construction materials and structures. Appropriate construction materials for the reconstruction of war-affected areas are being developed through an indicative planning figure (IPF)-funded project, while the reconstruction of earthquake-affected areas is assisted through a Special Programme Resources (SPR)-funded post-earthquake rehabilitation programme.

B. Education, science and technology

15. Human resources development. The three ongoing projects, with a total cost of $900,000, include support to the Government's efforts aimed at ensuring productive employment for disabled persons; assistance to the Ministry of Education for vocational training programmes; and a community-oriented medical education project. This last project is aimed at increasing the supply of adequately trained paramedical staff to help outreach programmes of the Ministry of Health to improve health conditions of disadvantaged groups, particularly in rural areas.

16. Technology for development. The increasing relative importance of UNDP activities in this area are in preparation for the fifth country programme, where education, science and technology are expected to play a major role. During the extension period, a total of eight ongoing and two pipeline projects, at a cost of $3 million, will provide high technology inputs and will assist with the expansion of post-graduate training and research. These will support the establishment of a post-graduate programme in natural resources, provide a post-graduate training in maritime fields, and assist the Teheran International Institute of Earthquake Engineering and Seismology, and the Sharif University Seismological Unit. Other projects will support the establishment of a textile research centre and the development of biological insecticides and designs for heart devices. The Transfer of Knowledge through Expatriate Nationals (TOKTEN) programme, which commenced in 1991, will continue to attract Iranian professionals resident abroad. During the extension period, an umbrella project to assist the university research programmes will be added to the list of projects in this area. Through the project, possibilities for post-graduate research and hence the capacity of universities to train highly qualified experts will be increased.

C. Reform of public administration

17. Three projects, with a total budget of $500,000, will continue into the extension period. They will support the Government's programme for the computerization of national accounts, the establishment of a planning institute, and the enhancement of macro-economic planning.

IV. RECOMMENDATION BY THE ADMINISTRATOR

18. The Administrator recommends that the Governing Council approve the extension of the fourth country programme for the Islamic Republic of Iran for the period 1992-1993, with IPF resources of $3,782.000.

Annex

FINANCIAL SUMMARY AS OF 31 DECEMBER 1991

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I. RESOURCES TAKEN INTO ACCOUNT		
IPF carry-over from fourth cycle (unspent balance)	3 418 000	
IPF for extension period	3 782 000	
Government and third-party cost-sharing	3 600 000	
Subtotal, IPF-linked resources		10 800 000
Other Funds under authority of the Administrator (SPR and UNIFEM)		260 000
TOTAL RESOURCES TAKEN INTO ACCOUNT		11 060 000
II. USE OF RESOURCES		
Approved projects	6 460 000	
Pipeline projects	4 600 000	
TOTAL USE OF RESOURCES		11 060 000